TECHNICAL EXHIBIT 1
PERFORMANCE REQUIREMENTS SUMMARY (PRS)
AVON PARK AIR FORCE RANGE

1. PERFORMANCE REQUIREMENTS SUMMARY (PRS). The PRS charts (AF Forms 713) are at the end of this exhibit do the following:

1.1. List the PWS requirements that the government will surveil. The absence of any contract requirement from the PRS shall not detract from its enforceability nor limit the rights or remedies of the government under any other provision of the contract, including the clauses entitled "Inspection of Services" and "Default."

1.2. Define the standard of performance for each listed service.

1.3. Set forth the maximum allowable deviation from standard performance for that service that may occur before the government will invoke the payment computation formula, resulting in a payment of less than 100 percent of the maximum payment for the listed service.

1.4. Define the lot used as the basis for surveillance or for payment computation purposes.

1.5. Set forth the surveillance methods the government will use to evaluate the contractor's performance for the listed tasks.

1.6. Set forth the percentage of the total contract price that the listed contract requirement represents, only if the surveillance method is either 100 percent inspection or random sampling.

2. GOVERNMENT QUALITY ASSURANCE. Contract performance will be surveilled to determine if it meets the contract standards. Method of Surveillance is 100% inspection.

3. PERFORMANCE EVALUATION. Performance of a service will be evaluated to determine whether or not it meets the performance requirements of the contract. When the performance requirement is exceeded, a Contract Discrepancy Report (CDR) will be issued to the contractor by the CO. Upon evaluation of the contractor's response to a CDR for tasks surveilled by 100 percent inspection, the contractor's payment for the month in which the performance in question occurred will be calculated as stated in paragraph 4. The contractor shall respond to the CDR by completing block 9 and block 10 of the form and returning it to the CO within 15 calendar days of receipt. In the case of CDRs issued as the result of other methods of surveillance, the CO shall take appropriate measures according to the clause entitled "Inspection of Services."

4. CONTRACTOR PAYMENT

4.1. For performance of a service that does not exceed the performance requirement, the contractor shall be paid the percentage of the monthly contract line item price indicated in the PRS for that service.

4.2. If performance of a service exceeds the performance requirement for a service surveilled by 100 percent inspection, the government will calculate payment as follows:

4.2.1. The maximum contract payment per month for all services is multiplied by the maximum payment percentage for the specific service to determine the maximum payment for acceptable service. This payment is multiplied by the percentage of the sample found acceptable to determine the percentage of the contract price that the contractor will be paid for the specific service. The total number of defectives found, not just those in excess of the reject level, are used to determine the percentage of the sample found unacceptable. The percentage of the sample found unacceptable subtracted from 100 percent determines the percentage found acceptable.

4.2.2. For those services that are performed less frequently than monthly, the payment computation will be determined for the entire surveillance period and will be based on the total maximum payment available for the entire surveillance period.

4.2.3. Any deductions from payment shall be taken from the payment for the month in which the CO makes the determination that deduction is appropriate, regardless of the period in which the performance occurred.

5. EXAMPLE OF PAYMENT COMPUTATION. For this example, assume the following:

(1) a performance requirement of 3,

(2) a corresponding sample size of 25,

(3) a lot size of 500, and

(4) that 10 defective samples were found.

(a) Maximum contract line item payment per month	$10,000
(b) Maximum payment percentage for the service (multiply by 5 percent)	X .05
(c) Maximum payment for acceptable services	$500
(d) Percentage of sample found unacceptable (10/25, defective divided by sample size, X 100)	40%
(e) Percentage of sample found acceptable	60%
(f) Payment for percentage of acceptable services (multiply line (c) by line (e))	$300

TECHNICAL EXHIBIT 1
PERFORMANCE REQUIREMENTS SUMMARY (PRS)
DARE COUNTY B&G RANGE

1. PERFORMANCE REQUIREMENT SUMMARY (PRS). The PRS charts, Air Force Forms 713, at the end of this exhibit:

1.1. List those PRS requirements (column 1) which are paid for on the basis of a payment computation system specified in paragraph 4 of this technical exhibit. The absence from the Performance Requirements Summary (PRS) of any contract requirement, however, shall not detract from its enforceability or limit the rights or remedies of the government under any other provision of the contract, including the clauses entitled “Inspection of Services” and “Default”.

1.2. Define the standard of performance for each listed service (column 2).

1.3. Set forth the maximum allowable deviation from perfect performance for each listed service. The Performance Requirement (PR) (column 3), that may occur before the government will invoke the payment computation formula resulting in a payment of less than 100% of the maximum payment for the listed service.

1.4. Define the lot used as the basis for surveillance of for payment computation purposes (column 3).

1.5. Set forth the primary surveillance methods the government will use to evaluate the contractors performance in meeting the contract requirements (column 4).

1.6. Set forth the percentage of the contract price that each listed contract requirement represents (column 5).

2. GOVERNMENT QUALITY ASSURANCE. Contractor performance will be compared to the contract standards and acceptable performance requirements (PRS) using the Quality Surveillance Plan (QASP).

2.1. The government may use a variety of surveillance methods to evaluate the contractor’s performance. Only one method will be used at a time to evaluate a listed service during an inspection period for payment computation purposes. The methods of surveillance that may be used are:

2.1.1. RANDOM SAMPLING of recurring service output using the selected sampling plans of MIL-STD-105D.

2.1.2. CHECKLIST surveillance of output items (daily, weekly, monthly, quarterly, semiannually, or annually) as determined necessary to assure a sufficient evaluation of contractor performance.

2.1.3. MANAGEMENT INFORMATION SYSTEM reported results.

2.1.4. CUSTOMER COMPLAINTS.

3. CRITERIA FOR EVALUATING PERFORMANCE. Performance of a listed service will be accepted and paid for at the maximum payment percentage specified in column 5 of the PRS when the number of defects found by the QAE during contract surveillance does not exceed the number of defects allowed by the performance requirements in column three. When the PR is not met, the contractor shall complete Block 10 of a Contract Discrepancy Report (CDR). The contractor shall explain in writing why performance was unacceptable, how performance will be returned to acceptable levels, and how reoccurrence of the problem will be prevented in the future. The contracting officer will evaluate the contractor's explanation and determine if full payment, partial payment, or the contract termination process is applicable. The contractors payment for services rendered will be calculated as stated in paragraph four.

3.1. DETERMINING THE NUMBER OF DEFECTS THAT WILL CAUSE LESS THAN MAXIMUM PAYMENT.

3.1.1. When the method of surveillance of a service is random sampling, the PRS indicates the number of defects that will result in the contractor receiving less than maximum payment.

3.1.2. When the method of surveillance is not random sampling, the number of defects that will cause less than a maximum payment will be determined as follows:

3.1.2.1. If the PR is a constant number of defects (for example, 2 defects), the PR number plus one or more additional defects will cause less than maximum payment (for example, 3 defects).

3.1.2.2. If the PR is a percentage value, it is multiplied by the lot size to determine the number of defects that will allow maximum payment. If the resulting value has a decimal, it will be rounded to the next higher whole number if the decimal is .5 or greater and to the lower whole number if the decimal is less than .5. One or more additional defects will cause less than the maximum payment.

3.2. ACCEPTANCE OF REPERFORMANCE OR LATE PERFORMANCE.

3.2.1. Except as otherwise provided by this section, the services required by this contract are of such a nature that defective or incomplete performance disclosed by government inspection is not subject to correction by re-performance or late performance, and the contractor shall not be required or entitled to re-perform, perform late, or otherwise correct defective services for the purpose of improving an existing inspection rating or avoiding a reduction in the full contract price.

3.2.2. At the sole election of the government and upon notification to the contractor, the contractor may be required to re-perform or perform late any or all defective work disclosed by government inspection including defective and incomplete performance. Where the government so elects, the contractor shall be notified promptly after inspection that specified defective services will be re-performed or performed late, and completed within a reasonable time specified by the QAE. In such cases, the government shall reinspect work designated for re-

performance or late performance, and the contractor may be held liable for any damages sustained by the government including, for example, the costs associated with reinspection.

3.2.2.1. Where the government requires re-performance or late performance solely for sample defective service disclosed by random sampling inspection, the contractors original inspection results shall not be modified upon reinspection since the sample reflects only a portion of the service lot. Instead, if the PR is exceeded for that performance period, any payment computation shall include a credit for re-performance or late performance of sample defective service during that period according to the payment computation method described in paragraph 4.2.1.1.

3.2.2.2. Where the government requires re-performance or late performance of all defective service in a lot, the contractor shall resubmit the entire service lot for reinspection. If reinspection is conducted by random sample, a new random sample will be employed. Upon reinspection, the original inspection results shall be revised to reflect the resubmitted service lot.

4. CONTRACTOR PAYMENT.

4.1. For performance of a service that does not exceed the PR, the contractor shall be paid the percentage of the monthly contract line item price indicated in column 5 of the attached PRS charts for that service.

4.2. If performance of a service exceeds the PR, the government will not pay the full percentage in column 5 for that service.

4.2.1. The payment for listed services that exceed the PR will be calculated as follows:

4.2.1.1. For services surveilled by sampling, the maximum contract payment per month is multiplied by the maximum payment percentage for the service to determine the maximum payment for acceptable service. This payment is multiplied by the percentage of the sample found acceptable to determine the percentage of the contract price that the contractor will be paid for the listed service. The total number of defects found, not just those in excess of the reject level, are used to determine the percentage of the sample found unacceptable. The percentage of the sample found unacceptable subtracted from 100 percent determines the percentage of the lot found acceptable. Sample defects that are corrected in accordance with paragraph 3.2. will effect a credit as specified in paragraph 5.1.1.

4.2.1.2. For services surveilled by periodic inspection, customer complaint, or management information system report, the maximum payment percentage for the service in column 5 of the PRS is multiplied by the percentage of the lot found acceptable. The resulting percentage is the percentage of the monthly price that the contractor will be paid for the listed service. The total number of defects found, not just the defects in excess of the reject level are used to determine the percentage of the lot found unacceptable. The percentage of the lot found unacceptable subtracted from 100 percent determines the percentage of the lot found acceptable.

4.2.1.3. For those services that are performed less frequently that monthly, surveillance and computation of the contractor's payment will be made during or immediately following the month when the service is performed. The payment computation will be determined for the

entire period since the last surveillance and will be based upon the total maximum payment available for the entire period since the last surveillance. Should computation of the contractor's payment result in an amount less than has already been paid for the preceding month(s) of the period since the last surveillance, the government will deduct the overpayment from the current months invoice.

5. EXAMPLES OF PAYMENT COMPUTATIONS.

5.1. For services surveilled by random sampling:

5.1.1. Assume a PR of 3 defects, a lot size of 450 units a sample size of 50 units and a maximum payment percentage of 5%. Also assume a contract line item payment of $10,000. If 5 defects were found by the QAE and 1 defect was corrected by re-performance, the payment computation would be as follows:

(1) Maximum contract line item payment per month	$10,000
(2) Maximum payment percentage for the service (col 5, PRS)	X 5%
(3) Maximum payment for acceptable service	$ 500
(4) 5 defects exceeds reject level of 3 defects	
(5) Percentage of sample found unacceptable (5/50, or defects divided by sample size times 100)	= 10%
(6) Percentage of sample found acceptable (100% minus Line 5 [10%])	90%
(7) Credit for sample defect corrected (Samples corrected/lot size times 100)	= 2.0%
(8) Total Percentage found acceptable (Line 6 plus Line 7)	92%
(9) Payment for percentage of acceptable services (Line 3 times Line 8)	$ 460

5.2. For services not surveilled by sampling:

5.2.1. Assume the same parameters as in 5.1.1. above except no defects are corrected. The payment would be computed as follows:

(1) Maximum contract line item payment per month	$10,000
(2) Maximum payment percentage for the service	X 5%
(3) Maximum payment for acceptable service	$ 500
(4) 5 defects exceeds reject level of 3 defects	
(5) Percentage of lot found unacceptable (5 defects divided by lot size of 50 times 100)	= 10%
(6) Percentage of lot found acceptable (100% minus Line 5)	90%
(7) Payment for percentage of acceptable service (Line 3 times Line 6)	$ 450

6.0. The Quality Standard rates include downtime required for scheduled or preventive maintenance. Such maintenance shall be performed during non-flying hours on systems required for flying operations.

6.1. There are two classes of systems in use at Dare County Range. Class I consists of direct support systems such as communications. Class II consists of indirect support systems such as test equipment.

6.2. CLASS I

6.3.1. AN/GRC-171 UHF Radio Set, Transceiver. Four each to include associated cables, control heads and antennas. Minimum acceptable operational readiness rate 97.7% each month.

6.3.2. AN/GRC-211 VHF Radio Set, Transceiver. One each to include associated cables, control heads and antennas. Minimum acceptable operational readiness rate 99.5% each month.

6.3.3. AN/FMQ-13 Wind Measuring Set. One each consists of one sensor and two readout units. Minimum acceptable operational ready rate 99.5% each month.

6.3.4. DA3H, Acoustiscore (Digital Strafe Scoring System). Two each, consisting of SCDU, cables, junction boxes and transducers. Minimum acceptable operational ready rate 95.0% each month. System is considered unusable if 50% or more of the systems capability is unusable.

6.3.5. Diesel Generator. Minimum operational ready rate 95.0% over a 12 month physical year.

6.3.6. Televised Ordnance Scoring System. By contract start date, the WISS (Weapons Impact Scoring System), currently under contract for installation, should be installed on AF Dare. This system consists of multiple cameras installed in each of the three towers, fiber optics transmittal of camera video to the control console at the base of the main tower, scoring computers and associated equipment installed in the scoring console. Minimum acceptable operational ready rate is 97.0% each month.

6.3.7. ML-658, DBASI (Digital Barometer and Altimeter Setting Indicator). Minimum acceptable operational ready rate 95.0% each month.

6.4. CLASS II

6.4.1. Target Lighting System. Minimum operational ready rate 90.0% over a 12 month physical year.

TECHNICAL EXHIBIT 1
PERFORMANCE REQUIREMENT SUMMARY (PRS)
ALL EC RANGES

1. PURPOSE: This exhibit contains the Performance Requirement Summary (PRS) which is utilized to establish the maximum payment percentage for meeting the performance requirements of the services listed in the Performance Work Statement (PWS). Satisfactory performance of the services listed on the PRS is based on the criteria listed in the column labeled Performance Requirement.

1.1 PERFORMANCE REQUIREMENTS SUMMARY

1.1.1. Column 1: Contains a list of those PRS requirements which are paid for on the basis of a payment computation system specified in paragraph w of this technical exhibit. The absence of any contract requirement from the Performance Requirements Summary (PRS), however, shall not detract from it's enforceability or limit the rights or remedies of the government under any other provision of the contract, including the clauses entitled "Inspection of Services" and "Default".

1.1.2. Column 2: Defines the standard of performance for each listed service.

1.1.3. Column 3: Sets forth the maximum allowable deviation from perfect performance for each listed service. The performance Requirement (PR) contains the criteria that may occur before the government will invoke the payment computation formula resulting in a payment of less than 100% of the maximum payment for the listed service.

1.1.3.1. This column (column 3) is also used to define the lot used as the basis for surveillance or for payment computation purposes.

1.1.4. Column 4: Sets forth the primary surveillance methods the government will use to evaluate the contractors performance in meeting the contract requirements.

1.1.5. Column 5: Sets forth the percentage of the contract price that each listed contract requirement represents.

2. GOVERNMENT QUALITY ASSURANCE. Contractor performance will be compared to the contract standard and acceptable performance requirements (PRS) using the Quality Assurance Surveillance Plan (QASP). Specific tasks to be evaluated are described in Section C-1 through C-6 of this contract.

2.1. METHODS OF SURVEILANCE. The government may use a variety of surveillance methods to evaluate the contractor's performance. Only one method will be used at a time to evaluate a listed service during an inspection period for payment computation purposes. The methods of surveillance that maybe used are:

2.1.1. 100% INSPECTION: Surveillance of output items (daily, weekly, monthly, quarterly, semiannually, or annually) as determined necessary to assure a sufficient evaluation of contractor performance.

2.1.1.1. 100% INSPECTION (MIS): Management Information Systems (MIS) provide information regarding attributes of tasks and can, therefore, be used to determine acceptability of a contractor's performance. It is generally utilized in those cases where the performance requirement is specified as a rate percentage, i.e. Abort Rates (AR), Operational Availability (Ao), Uptime Rates (UR), etc. Since Management Information Systems usually collect information for 100 percent of the activities for a specified period of time, use of information provided by a MIS constitutes 100 percent inspection as the method of surveillance.

2.1.1.2. 100% INSPECTION (CHECKLIST): Checklists are usually developed to surveil contract tasks when there is a large amount of technical data associated with maintenance or operations of a particular system. Checklists usually contain those salient items, which are extracted from the technical data, which must be satisfactorily performed on a continuing basis, to insure proper operation/maintenance of that particular item being inspected. Satisfactory performance of all checklist items generally assures the government that the system is being maintained in accordance with the applicable technical data and can support mission requirements in an acceptable manner.

2.1.1.2.1. The lot size for items being surveilled 100% Inspection (Checklist) is the number of items contained on the particular checklist being utilized.

2.1.2. PERIODIC INSPECTION: This type of surveillance is an evaluation of samples selected on other that a s statistically random basis and is used for those services that occur on an infrequent basis.

2.1.3. CUSTOMER COMPLAINTS: Only used when necessary for those certain types of tasks which simply do not lend themselves to random sampling or 100 percent inspection. The contracting officer may use validated customer complaints as the basis for taking actions outlined in FAR 52, 246-4 which do not result in payment deduction.

3. CRITERIA FOR EVALUATING PERFORMANCE: Performance of a listed service will be accepted and paid for at the maximum payment percentage specified in Column five of the PRS when the number of defects, found by the Quality Assurance Evaluator (QAE) during contract surveillance, does not exceed the number of defects allowed by the performance requirements in column three of the PRS. When the PR is not met, the contractor shall explain in writing why performance was unacceptable, how performance will be returned to acceptable levels, and how recurrence of the problem will be prevented in the future. The contracting officer will evaluate the contractor's explanation and determine if full payment, partial payment, or the contract termination process is applicable. The contractor will not be held responsible for conditions or circumstances over which he/she has no control. Final determination will reside with the contracting officer after review of the information provided by the contractor. The contractor's payment for services will be calculated as stated in paragraph four.

3.1. DETERMINING THE NUMBER OF DEFECTS THAT WILL CAUSE LESS THAN MAXIMUM PAYMENT

3.1.1. When the method of surveillance is not random sampling, the number of defects that will cause less than a maximum payment will be determined as follows:

3.1.1.1. If the PR constant number of defects is, for example, two defects, the PR number plus one or more additional defects will cause less than maximum payment (for example: three defects).

3.1.1.2. If the PR is a percentage value, it is multiplied by the lot size to determine the number of defects that will allow maximum payment. If the resulting value has a decimal, it will be rounded to the next higher whole number if the decimal is .5 or greater and to the lower whole number if the decimal is less than.5. One or more additional defects will cause less than the maximum payment.

3.2. The procedures for determining the maximum payment percentage for meeting the Performance Requirement for the AN/MST-T1A and AN/MST-T1 (V) systems are listed in Attachment 1 and 2 to this Technical Exhibit. All other range equipment is listed on the PRS.

3.3. The final decision on whether to withhold payment or exercise other options under the "Inspection of Services" or "Delay" clauses within the contract will reside solely with the government contracting office.

3.4. ACCEPTANCE OF RE-PERFORMANCE OR LATE PERFORMANCE

3.4.1. Except as otherwise provided by this section, the services required by this contract are of such a nature that defective or incomplete performance discovered by the government inspection is not subject to correction by re-performance or late performance. The contractor shall not be required or entitled to re-perform, perform late, or otherwise correct defective services for the purpose of improving an existing inspection rating or avoiding a reduction in the full contract price.

3.4.2. At the sole election of the government, and upon notification to the contractor, the contractor may be required to re-perform, or perform late, any or all defective work found by the government inspection, including defective and incomplete performance. Where the government so elects, the contractor shall be notified promptly after inspection, that specified defective services will be re-performed or performed late, and completed within a reasonable time specified by the QAE. In such cases, the government shall re-inspect word designated for re-performance or late performance and the contractor may be liable for any damage sustained by the government including, for example, the cost associated with re-inspection.

3.4.2.1. Where the government requires re-performance or late performance solely for sample defective service disclosed by random sampling inspection, the contractor's original inspection results would not be modified upon re-inspection, since the sample reflects only a portion of the service lot. Instead, if the PR is exceeded for the performance period, any payment computation

shall include a credit for re-performance of late performance of sample defective service during that period according to the payment computation method described in paragraph 4.2.1.1.

3.4.2.2. Where the government requires re-performance or late performance of all defective services in a lot, the contractor shall submit the entire service lot for re-inspection. If re-inspection is conducted by random sampling, a new random sample will be employed. Upon re-inspection, the original inspection results shall be revised to reflect the resubmitted service lot.

4. CONTRACTOR PAYMENT

4.1. For performance of a service which does not exceed the PR, the contractor shall be paid the percentage of the monthly contract line item price indicated in column five of the attached Performance Requirements Summary charts for that service.

4.2. If performance of a service exceeds the PR, the government will not pay the full percentage in column five for that particular service.

4.2.1. The payment for listed services, which exceed the PR, will be calculated as follows:

4.2.1.1. For service surveilled by 100 percent inspection, the maximum payment percentage for the service in column five of the PRS is multiplied by the percentage of the lot found acceptable. The resulting percentage is the percentage of the monthly price the contractor will be paid for the listed service. The total number of defects found, not just the defects in excess of the reject level are used to determine the percentage of the lot found unacceptable. The percentage of the lot found unacceptable subtracted from 100 percent determines the percentage of the lot found acceptable.

4.2.1.2. For those services performed less frequently than monthly, surveillance and computation of the contractors payment will be made during or immediately following the month when the service when the service is performed. The payment computation will be based upon the total maximum payment available for the entire period since the last surveillance. Should computation of the contractor's payment result in an amount less than they have already been paid for the preceding month(s) of the period since the last surveillance, the government will deduct the overpayment from the current month's invoice.

5. EXAMPLES OF PAYMENT COMPUTATIONS

5.1. For services not surveilled by random sampling:

5.1.1. Assume a PR of three defects, a lot size of 450 units, a sapling size of 50 units, and a maximum payment percentage of 5 percent. Also assume a contract line item payment of $10,000. If five defects were found by the QAE, the payment computation would be as follows:

(1) Maximum contract line item payment per month: $10,000

(2) Maximum payment percentage for the service: 5 %

(3) Maximum payment for acceptable service: $ 500

(4) 5 defects exceeds reject level of 3 defects

(5) Percentage of lot found unacceptable=10%
(5 defects divided by lot size of 50 multiplied by 100)

(6) Percentage of lot found acceptable: 90%

(7) Payment for percentage of acceptable service: $ 450

5.2. For those areas surveilled quarterly:

5.2.1. The payment computation is based on the following example. Assume that the monthly contract cost is $100,00.00, the surveillance is quarterly, the performance requirement is 4.3%, and a defective percentage of 10% is discovered during scheduled surveillance. Also assume the percent of the total contract line item price for the service is 8%.

(1) Monthly contract line item payment: $100,000.00

(2) Number of months represented by the period of last surveillance X 3

(3) Total maximum payment for the period $300,000.00

(4) Percent of monthly contract line item price: 8. %

(5) Total maximum payment for the service: $ 24,000.00

(6) Percentage of unacceptable lot: 5.7%
(100% minus 4.3%=95.7%)(10 attempts divided by 1 Abort=10% minus 100%=90%)(95.7% minus 90% is line 6)

(7) Percentage of acceptable lot: 94.3%
(100% minus line 6)

(8) Adjusted contractor's payment for the period would be: $22,632.80
(Line 7 X line 5)

(10) Payment deduction for the month: $1,368.00
(Line 5 minus line 8)

5.2.2. Adjustments to the payment computations associated with the AN/MST-T1A and AN/MST-T1 (V) MCR rates must be made using the criteria contained in attachments 1 and 2 to technical exhibit 1.

5.2.3. The contractor will receive credit (equal to or better that the MCR rate) for all equipment not installed at a particular PTR resulting from actions taken or decisions made by the government.

6. APPLICABILITY

6.1. The maximum payment percentage for meeting the performance requirement is based on each PTR and is applied to the "TOTAL" contract line item for all services provided to each PTR, minus reimbursable, listed in Schedule B of the contract.

6.2. Unacceptable performance at one PTR will not have any effect on the maximum payment percentage for another PTR's performance.

TECHNICAL EXHIBIT 1, Attachment l
AN/MST-T1A (MUTES)
MONTHLY PAYMENT PERCENTAGES

1. The following criteria will be used by the Government for determining the amount of monthly payment associated with the Operational Availability (Ao) of the AN/MST-T1A. These procedures will not be utilized for determining the Maximum Payment Percentages (MPP) for meeting the performance requirements (PR) associated with operations of the system. The MPPs are listed on the PRS. The MPP for meeting the overall performance requirement associated with the AN/MST-T1A Operational Availability Rate is 15%.

2. These criteria are to be used only when evaluating the Operational Availability Rates associated with the AN/MST-T1A.

2.1. If the Ao for the system or any transmitter is less than the Performance Requirement (PR) criteria listed on the PRS, the "system" MPP will be adjusted to the following percentages;

2.1.1. System Ao is less than the Performance Requirement criteria: MPP =0%

2.1.2. System Ao is equal to or greater than the PR criteria and:

2.1.2.1. Ao for 18 transmitters is equal to/better that PR: MPP = 15%

2.1.2.2. Ao for 17 transmitters is equal to/better that PR: MPP = 14.167%

2.1.2.3. Ao for 16 transmitters is equal to/better that PR: MPP = 13.334%

2.1.2.4. Ao for 15 transmitters is equal to/better that PR: MPP = 12.501%

2.1.2.5 Ao for 14 transmitters is equal to/better that PR: MPP = 11.668%

2.1.2.6 Ao for 13 transmitters is equal to/better that PR: MPP = 10.835%

2.1.2.7 Ao for 12 transmitters is equal to/better that PR: MPP = 10.002%

2.1.2.8 Ao for 11 transmitters is equal to/better that PR: MPP = 9.169%

2.1.2.9. Ao for 10 transmitters is equal to/better than PR: MPP = 8.336%

2.1.2.10. Ao for 9 transmitters is equal to/better than PR: MPP = 7.503%

2.1.2.11. Ao for 8 transmitters is equal to/better than PR: MPP = 6.670%

2.1.2.12. Ao for 7 transmitters is equal to/better than PR: MPP = 5.837%

2.1.2.13. Ao for 6 transmitters is equal to/better than PR: MPP = 5.004%

2.1.2.14. Ao for 5 transmitters is equal to/better than PR: MPP = 4.171%

2.1.2.15. Ao for 4 transmitters is equal to/better than PR: MPP = 3.338%

2.1.2.16.Ao for 3 transmitters is equal to/better than PR: MPP = 2.505%

2.1.2.17. Ao for 2 transmitters is equal to/better than PR: MPP = 1.672%

2.1.2.18. Ao for 1 transmitter is equal to/better than PR: MPP = .833%

3. The contractor will receive credit (equal to or better than Ao rate) for transmitters not installed at a particular Primary Training Range resulting from action taken or decisions made by the government.

TECHNICAL EXHIBIT 1, Attachment 2
AN/MST-T1 (V) (Mini-MUTES)
MAXIMUM PAYMENT PERCENTAGES
METHODOLOGY & PROCEDURES

1. The following procedures will be used by the government for determining the maximum payment percentage used to calculate the monthly payment associated with the operational availability (Ao) of the AN/MST-T1 (V) Mini-MUTES. These procedures will not be used for determining the maximum payment percentages (MPP) for meeting the performance requirements associated with operations of the system. The operational MPPs are listed on the attached PRS.

2. Each AN/MST-T1 (V) is usually configured with one Master Control Group (MCG) and five Remote Emitter Units (REU). Each REU is configured with three to four different transmitters depending on the type of REU. The MPPs are based on the Ao rates for each REU including the Ao for each transmitter in each type of REU. The rationale for this is based on the ability of an REU to meet the operational availability rate for the REU and still have two or more transmitters completely inoperative. This impacts the ability of the Primary Training Range to generate the various scenarios requested by the aircrew.

3. The following MPPs are based on each Primary Training Range having two complete AN/MST-T1 (V) systems. These MPPs are applicable to each complete AN/MST-T1 (V) system. In order to determine the overall total MPP for the two AN/MST-T1 (V) systems located at each PTR, the percentages listed in paragraph 4 need to be multiplied by a factor of two. This breakout is necessary to ensure that the status of one system does not affect the MPP calculated for the other system.

4. The maximum payment percentage (MPP) for meeting the performance requirement associated with the AN/MST-T1 (V) operational availability rate (Ao) is 11%.

4.1. The following criteria/procedures will be used by the government to determine the MPP for the services provided. These procedures are to be used only when evaluating the operational availability rates associated with the AN/MST-T1 (V). The AN/MST-T1 (V) system operational availability is based on the status of the Master Control Group (MCG), applicable REUs and transmitter status.

4.2. If the Ao for the Master Control Group or REU is less than the PR criteria listed on the PRS, the system MPP will be adjusted to the following percentages.

4.2.1. MCG Ao is less than the performance requirement criteria: MPP = 0%

4.2.2. MCG Ao is equal to or greater than PR criteria and:

4.2.2.1. Ao for all REUs is better than the PR: MPP = 5.5%

4.2.2.2. Ao for 4 of the 5 REUs is equal to/better than the PR: MPP = 4.4%

4.2.2.3. Ao for 3 of the 5 REUs is equal to/better than the PR: MPP = 3.3%

4.2.2.4. Ao for 2 of the 5 REUs is equal to/better than the PR: MPP = 2.2%

4.2.2.5. Ao for 1 of the 5 REUs is equal to/better than the PR: MPP = 1.1%

4.2.2.6. Ao for all REUs is less than the PR: MPP = 0%

4.3. The adjusted MPP, determined from criteria contained in paragraph 4.2, is then readjusted by the number of transmitters failing to meet the PR. Each REU meeting PR criteria will be calculated separately. Subtract the percentages determined, as listed below, from the adjusted MPP.

4.3.1. Adjustment factors for "A", "C", "K", "G" and "H" REUs:

4.3.1.1. REU Ao is less than the PR:	Subtract	11%
4.3.1.2. REU Ao is equal to/better than the PR and:		
4.3.1.2.1. Ao for all transmitters is equal to/better than the PR:	Subtract	0.0%
4.3.1.2.2. Ao for 2 of the 3 transmitters is equal to/better than the PR:	Subtract	3.66%
4.3.1.2.3. Ao for 1 of the 3 transmitters is equal to/better than the PR:	Subtract	7.33%
4.3.1.2.4. Ao for all transmitters is less than the PR:	Subtract	11%

4.3.2. Adjustment factors for "B" REUs:

4.3.2.1. REU Ao less than the PR:	Subtract	11%
4.3.2.2. REU Ao is equal to/better than the PR and:		
4.3.2.2.1. Ao for all transmitters is equal to/better than the PR:	Subtract	0.0%
4.3.2.2.2. Ao for 3 of the 4 transmitters is equal to/better than the PR:	Subtract	2.75%
4.3.2.2.3. Ao for 2 of the 4 transmitters is equal to/better than the PR:	Subtract	5.5%
4.3.2.2.4. Ao for 1 of the 4 transmitters is equal to/better than the PR:	Subtract	8.25%
4.3.2.2.5. Ao for all transmitters is less than the PR:	Subtract	11%

5. The contractor will receive credit (equal to/better than the PR) for all MCGs and REUs not installed at a particular PTR resulting from actions taken or decisions made by the government.

TECHNICAL EXHIBIT 1
PERFORMANCE REQUIREMENTS SUMMARY (PRS)
GRAND BAY B&G RANGE

1. PERFORMANCE REQUIREMENTS SUMMARY (PRS). The PRS charts (AF Forms 713) at the end of this exhibit do the following:

1.1. List the PWS requirements that the government will serveil. The absence of any contract requirement from the PRS shall not detract from its enforceability nor limit the rights or remedies of the government under any other provision of the contract, including the clauses entitled "Inspection of Services" and "Default."

1.2. Define the standard of performance for each listed service.

1.3. Set forth the maximum allowable deviation from standard performance for that service that may occur before the government will invoke the payment computation formula, resulting in a payment of less than 100 percent of the maximum payment for the listed service.

1.4. Define the lot used as the basis for surveillance or for payment computation purposes.

1.5. Set forth the surveillance methods the government will use to evaluate the contractor's performance for the listed tasks.

1.6. Set forth the percentage of the total contract price that the listed contract requirement represents, only if the surveillance method is either 100 percent inspection or random sampling.

2. GOVERNMENT QUALITY ASSURANCE. Contract performance will be surveilled to determine if it meets the contract standards. Method of Surveillance is 100% inspection.

3. PERFORMANCE EVALUATION. Performance of a service will be evaluated to determine whether or not it meets the performance requirements of the contract. When the performance requirement is exceeded, a Contract Discrepancy Report (CDR) will be issued to the contractor by the CO. Upon evaluation of the contractor's response to a CDR for tasks surveilled by 100 percent inspection, the contractor's payment for the month in which the performance in question occurred will be calculated as stated in paragraph 4. The contractor shall respond to the CDR by completing block 9 and block 10 of the form and returning it to the CO within 15 calendar days of receipt. In the case of CDRs issued as the result of other methods of surveillance, the CO shall take appropriate measures according to the clause entitled "Inspection of Services."

4. CONTRACTOR PAYMENT

4.1. For performance of a service that does not exceed the performance requirement, the contractor shall be paid the percentage of the monthly contract line item price indicated in the PRS for that service.

4.2. If performance of a service exceeds the performance requirement for a service surveilled by 100 percent inspection, the government will calculate payment as follows:

4.2.1. The maximum contract payment per month for all services is multiplied by the maximum payment percentage for the specific service to determine the maximum payment for acceptable service. This payment is multiplied by the percentage of the sample found acceptable to determine the percentage of the contract price that the contractor will be paid for the specific service. The total number of defectives found, not just those in excess of the reject level, are used to determine the percentage of the sample found unacceptable. The percentage of the sample found unacceptable subtracted from 100 percent determines the percentage found acceptable.

4.2.2. For those services that are performed less frequently than monthly, the payment computation will be determined for the entire surveillance period and will be based on the total maximum payment available for the entire surveillance period.

4.2.3. Any deductions from payment shall be taken from the payment for the month in which the CO makes the determination that deduction is appropriate, regardless of the period in which the performance occurred.

5. EXAMPLE OF PAYMENT COMPUTATION. For this example, assume the following:

(1) a performance requirement of 3,

(2) a corresponding sample size of 25,

(3) a lot size of 500, and

(4) that 10 defective samples were found.

(a) Maximum contract line item payment per month	$10,000
(b) Maximum payment percentage for the service (multiply by 5 percent)	X .05
(c) Maximum payment for acceptable services	$500
(d) Percentage of sample found unacceptable (10/25, defective divided by sample size, X 100)	40%
(e) Percentage of sample found acceptable	60%
(f) Payment for percentage of acceptable services (multiply line (c) by line(e)	$300

6.0. Quality Standards

6.1. Quality standards include downtime required for scheduled or preventive maintenance. Such maintenance shall be performed during non-flying hours on systems required for flying operations.

6.2. There are two classes of systems in use at Grand Bay Range: Class I (direct support systems such as communications) and Class II (indirect support systems such as test equipment).

6.2.1. Class I

6.2.1.1. AN/GRC-171 UHF Radio Set Transceiver: two each to include associated cables, C7999 control heads and AT-197 antennas. Radios are located in main tower. Minimum acceptable operational readiness rate: 97.7 percent per month.

6.2.1.2. DA-3H Acoustiscore (Digital System): Minimum acceptable operational readiness rate: 95.0 percent per month.

6.2.1.3. PRC-13 UHF/VHF Radio. One each, includes batteries, speaker, charger, portable radio. Normally located in main tower. Minimum acceptable operational rate 97.7.

6.2.1.4. AN/GRR 24 Receiver: One each with minimum acceptable operational readiness rate: 95.0 percent per month.

6.2.1.5. Electrical Power Production Systems: One each with minimum acceptable operational readiness rates: 95.0 percent per month. NOTE: Flank tower generator is not critical.

6.2.1.6. Wind Measuring Set: One each consists of one sensor and one ID 8.5 readout. Minimum operational readiness rate: 99.5 percent per month.

6.2.1.7. Generator Automatic Transfer Switch. One each located in building 10 under shelter. Minimum acceptable operational rate is 97 percent per month.

6.2.2. Class II

6.2.2.1. DAT-I Test Set: Acoustic transducer, two each. Self-contained portable unit used to test acoustiscore transducer (microphones). Minimum acceptable operational readiness rate: 95 percent per month.

6.2.2.2. Target Lighting System: 95 percent operational ready rate over a 12-month period.

TECHNICAL EXHIBIT 1
PERFORMANCE REQUIREMENTS SUMMARY (PRS)
HOLLOMAN B&G RANGE

1. PERFORMANCE REQUIREMENTS SUMMARY (PRS). The PRS charts (Air Force Forms 713) at the end of this exhibit do the following:

1.1. List the PWS requirements that the government will surveil. The absence of any contract requirement from PRS shall not detract from its enforceability nor limit the rights or remedies of the government under any other provision of the contract, including the clauses entitled "Inspection of Services" and "Default".

1.2. Define the standard of performance for each listed service.

1.3. Set forth the maximum allowable deviation from standard performance for that service that may occur before the government will invoke the payment computation formula resulting in a payment of less than 100 percent of the maximum payment for the listed service.

1.4. Define the lot used as the basis for surveillance or for payment computation purposes.

1.5. Set forth the surveillance methods the government will use to evaluate the contractor's performance for the listed tasks.

1.6. Set forth the percentage of the contract price that the listed contract requirement represents, only if the surveillance method is either 100-percent inspection or random sampling.

2. GOVERNMENT QUALITY ASSURANCE. Contractor performance will be surveilled to determine if it meets the contract standards. A variety of surveillance methods may be used.

2.1. Random sampling of recurring service outputs using the indifference quality level (IQL) indexed sampling plans.

2.2. One hundred percent inspection of the output.

2.3. Periodic inspection of the processes or outputs.

2.4. Customer complaints.

3. PERFORMANCE EVALUATION. Performance of a service will be evaluated to determine whether or not it meets the performance requirements of the contract. When performance requirement is exceeded, a Contract Discrepancy Report (CDR) will be issued to the contractor by the contracting officer. Upon evaluation the contractor’s response to a CDR for tasks surveilled by random sampling of 100 percent inspection, the contractors payments for the month in which the performance in question occurred will be calculated as stated in paragraph 4. The contractor shall respond to the CDR by completing block 9 and 10 of the form and returning it to the contracting officer within 15 calendar days of receipt. In the case of CDRs issued as the

result of other methods of surveillance, the contracting officer shall take appropriate measures according to the clause entitled “Inspection of Services”.

4. CONTRACTOR PAYMENT

4.1. For performance of a service that does not exceed the performance requirement, the contractor shall be paid the percentage of the monthly contract line item price indicated in PRS for that service.

4.2. If performance of a service exceeds the performance requirement for a service surveilled by random sampling or 100-percent inspection, the government will calculate payment as follows:

4.2.1. The maximum contract payment per month for all service for the specific service. This payment is multiplied by the percentage of the sample found acceptable to determine the percentage of the sample found acceptable to determine the percentage of the contract price that the contractor will be paid for the specific service. The total number of defectives found, not just those in excess of the reject level, are used to determine the percentage of the sample found unacceptable. The percentage of the sample found unacceptable subtracted from 100 percent determines the percentage found acceptable.

4.2.2. For services that are performed less frequently than monthly, the payment computation will be determined for the entire surveillance period and will be based on the total maximum payment available for the entire surveillance period.

4.2.3. Any deductions from payment shall be taken from the payment for the month in which the contracting officer makes the determination that deduction is appropriate, regardless or the period in which the performance occurred.

5. EXAMPLES OF PAYMENT COMPUTATION. For this example, assume the following: (1) a performance requirement of 3, (2) corresponding sample size of 25, (3) a lot size of 500, and (3) that 10 defective samples were found.

(1) Maximum contract line item payment per month	$10,000
(2) Maximum payment percentage for the service	x 5%
(3) Maximum payment for acceptable services	$500
(4) Percentage of sample found unacceptable (10/25, defectives divided by sample size, X 100)	40%
(5) Percentage of sample found acceptable (100% - Line 4)	60%
(6) Payment for percentage of acceptable service	$300

6.0. Quality Standards

6.1. Quality Standard rates include downtime required for scheduled or preventive maintenance. Such maintenance shall be performed during non-flying hours on systems required for flying operations.

6.2. There are two classes of systems in use at Oscura Range:

a. CLASS I: Direct support systems such as communication.

b. CLASS II: Indirect support systems such as test equipment.

6.3. CLASS I

6.3.1. AN/GRC-171 UHF radio set transceiver: One each to include associated cables, C7999 control head and AT-197 antennas. The radio is located in the main tower. Minimum acceptable operational readiness rate: 97.7% each month.

6.3.2. DA-3H acoustiscore (digital System): Minimum acceptable operational readiness rates: 95.0% each month.

6.3.3. Electrical power production systems: Minimum acceptable operational readiness rates: 95.0% 12 month period.

6.3.4. AN/GRR 24 receiver: Two each with minimum acceptable operational readiness rate: 95.0% per 12 month period.

6.3.5. AN/GRT 22 transmitter: Two each with minimum acceptable operational readiness rate: 95.0% per 12 month period.

6.4. CLASS II: DAT-1 Test Set, Acoustic Transducer, AAM
DI test set calibrator for DA3H system, two each. Self-contained portable unit used to test acoustiscore transducers (microphones). Minimum acceptable operational readiness rate: 95.0% per 12-month period.

TECHNICAL EXHIBIT 1
PERFORMANCE REQUIREMENTS SUMMARY (PRS)
MELROSE B&G RANGE

1. PERFORMANCE REQUIREMENTS SUMMARY (PRS). The PRS charts (Air Force Forms 713) at the end of this exhibit do the following:

1.1. List the PWS requirements that the government will surveil. The absence of any contract requirement from PRS shall not detract from its enforceability nor limit the rights or remedies of the government under any other provision of the contract, including the clauses entitled "Inspection of Services" and "Default".

1.2. Define the standard of performance for each listed service.

1.3. Set forth the maximum allowable deviation from standard performance for that service that may occur before the government will invoke the payment computation formula resulting in a payment of less than 100 percent of the maximum payment for the listed service.

1.4. Define the lot used as the basis for surveillance or for payment computation purposes.

1.5. Set forth the surveillance methods the government will use to evaluate the contractor's performance for the listed tasks.

1.6. Set forth the percentage of the contract price that the listed contract requirement represents, only if the surveillance method is either 100-percent inspection or random sampling.

2. GOVERNMENT QUALITY ASSURANCE. Contractor performance will be surveilled to determine if it meets the contract standards. A variety of surveillance methods may be used.

2.1. Random sampling of recurring service outputs using the indifference quality level (IQL) indexed sampling plans.

2.2. One hundred percent inspection of the output.

2.3. Periodic inspection of the processes or outputs.

2.4. Customer complaints.

3. PERFORMANCE EVALUATION. Performance of a service will be evaluated to determine whether or not it meets the performance requirements of the contract. When performance requirement is exceeded, a Contract Discrepancy Report (CDR) will be issued to the contractor by the contracting officer. Upon evaluation the contractor’s response to a CDR for tasks surveilled by random sampling of 100 percent inspection, the contractors payments for the month in which the performance in question occurred will be calculated as stated in paragraph 4. The contractor shall respond to the CDR by completing block 9 and 10 of the form and returning it to the contracting officer within 15 calendar days

of receipt. In the case of CDRs issued as the result of other methods of surveillance, the contracting officer shall take appropriate measures according to the clause entitled "Inspection of Services".

4. CONTRACTOR PAYMENT

4.1. For performance of a service that does not exceed the performance requirement, the contractor shall be paid the percentage of the monthly contract line item price indicated in PRS for that service.

4.2. If performance of a service exceeds the performance requirement for a service surveilled by random sampling or 100-percent inspection, the government will calculate payment as follows:

4.2.1. The maximum contract payment per month for all service for the specific service. This payment is multiplied by the percentage of the sample found acceptable to determine the percentage of the sample found acceptable to determine the percentage of the contract price that the contractor will be paid for the specific service. The total number of defectives found, not just those in excess of the reject level, are used to determine the percentage of the sample found unacceptable. The percentage of the sample found unacceptable subtracted from 100 percent determines the percentage found acceptable.

4.2.2. For services that are performed less frequently than monthly, the payment computation will be determined for the entire surveillance period and will be based on the total maximum payment available for the entire surveillance period.

4.2.3. Any deductions from payment shall be taken from the payment for the month in which the contracting officer makes the determination that deduction is appropriate, regardless or the period in which the performance occurred.

5. EXAMPLES OF PAYMENT COMPUTATION. For this example, assume the following: (1) a performance requirement of 3, (2) corresponding sample size of 25, (3) a lot size of 500, and (3) that 10 defective samples were found.

(1) Maximum contract line item payment per month	$10,000
(2) Maximum payment percentage for the service	x 5%
(3) Maximum payment for acceptable services	$500
(4) Percentage of sample found unacceptable (10/25, defectives divided by sample size, X 100)	40%
(5) Percentage of sample found acceptable (100% - Line 4)	60%
(6) Payment for percentage of acceptable service	$300

6.0. Quality Standards

6.1. The Quality Standard rates include any downtime encountered during operational flying hours. Scheduled or preventive maintenance shall be performed during non-flying hours on systems required for flying operations.

6.2. There are two classes of systems in use at Melrose Bombing and Gunnery Range.

a. CLASS I: Direct support systems such as communications.

b. CLASS II: Indirect support systems such as test equipment.

6.3. CLASS I

6.3.1. AN/GMQ-20 wind measuring set. One each consists of one sensor and two readouts. Minimum acceptable operational readiness rate 99.5% each month.

6.3.2. GRC-171 UHF multi-channel transceiver. Two each AN/GRT 22 UHF single channel transmitter includes two each UHF single channel power amplifier, AT-197 antennas and associated cables. Minimum acceptable operational readiness rate 97.7% each month.

6.3.3. Diesel generator: Minimum acceptable operational readiness rate 95.0% each month.

6.3.4. Television Ordnance Scoring System (TOSS): Minimum acceptable operational readiness rate 95.0% each month.

6.3.5. DA-3H acoustiscore (digital system): Minimum acceptable operational readiness rate 90.0% each month.

6.3.6. AN/DSQ-T34 Laser Detector: Minimum acceptable operational readiness rate 90.0% each month.

6.4. CLASS II

RESERVED

6.5. Operational readiness shall be calculated using time reported on the contractor's CLASS I system maintenance log and the Range Utilization Report by the following formula:

$$\frac{\text{flying time - during flying time system down time}}{\text{flying time}} \times 100 = \text{Operational Readiness}$$

TECHNICAL EXHIBIT 1
PERFORMANCE REQUIREMENTS SUMMARY (PRS)
POINSETT B&G RANGE

1. PERFORMANCE REQUIREMENT SUMMARY: The PRS charts (AF Forms 713) at the end of this exhibit do the following:

1.1. List the PWS requirements that the government will surveil. The absence of any contract requirement from the PRS shall not detract from its enforceability nor limit the rights or remedies of the government under any other provision of the contract, including the clauses entitled "Inspection of Services" and "Default."

1.2. Define the standard of performance for each listed service.

1.3. Set forth the maximum allowable deviation from standard performance for that service that may occur before the government will invoke the payment computation formula, resulting in a payment of less than 100 percent of the maximum payment for the listed service.

1.4. Define the lot used as the basis for surveillance or for payment computation purposes.

1.5. Set forth the surveillance methods the government will use to evaluate the contractor's performance for the listed tasks.

1.6. Set forth the percentage of the total contract price that the listed contract requirement represents, only if the surveillance method is either 100-percent inspection or random sampling.

2. GOVERNMENT QUALITY ASSURANCE: Contractor performance will be surveilled to determine if it meets the contract standards. A variety of surveillance methods may be used.

2.1. Random sampling of recurring service outputs using indifference quality level (IQL) indexed sampling plans.

2.2. One hundred percent inspection of the output.

2.3. Periodic inspection of the processes or output.

2.4. Customer complaints.

3. PERFORMANCE EVALUATION: Performance of a service will be evaluated to determine whether or not it meets the performance requirements of the contract. When the performance requirement is exceeded, a Contract Discrepancy Report (CDR) will be issued to the contractor by the contracting officer. Upon evaluation of the contractor's response to a CDR for tasks surveilled by random sampling or 100 percent inspection, the contractor's payment for the month in which the performance in question occurred will be calculated as stated in paragraph 4. The contractor shall respond to the CDR by completing block 9 and block 10 of the form and returning it to the contracting officer within 15 calendar days of receipt. In the case of CDRs issued as the result of other methods of surveillance, the contracting officer shall take appropriate measures according to the clause entitled "Inspection of Services."

4. CONTRACTOR PAYMENT

4.1. For performance of a service that does not exceed the performance requirement, the contractor shall be paid the percentage of the monthly contract line item price indicated in the PRS for that service.

4.2.1. If performance of a service exceeds the performance requirement for a service surveilled by random sampling or 100-percent inspection, the government will calculate payment as follows:

4.2.2. The maximum contract payment per month for all services is multiplied by the maximum payment percentage for the specific service to determine the maximum payment for acceptable service. This payment is multiplied by the percentage of the sample found acceptable to determine the percentage of the contract price that the contractor will be paid for the specific service. The total number of defectives found, not just those in excess of the reject level, are used to determine the percentage of the sample found unacceptable. The percentage of the sample found unacceptable subtracted from 100 percent determines the percentage found acceptable.

4.2.3. For those services that are performed less frequently than monthly, the payment computation will be determined for the entire surveillance period and will be based on the total maximum payment available for the entire surveillance period.

4.2.4. Any deductions from payment shall be taken from the payment for the month in which the contracting officer makes the determination that deduction is appropriate, regardless of the period in which the performance occurred

5. EXAMPLE OF PAYMENT COMPUTATION. For this example, assume the following (1) a performance requirement of 3, (2) a corresponding sample size of 25, (3) a lot size of 500, and (4) that 10 defective samples were found.

(1) Maximum contract line item payment per month	$10,000
(2) Maximum payment percentage for the service	x 5%
(3) Maximum payment for acceptable service	$500
(4) Percentage of sample found unacceptable (10/25, defectives divided by sample size, X 100)	40%
(5) Percentage of sample found acceptable (100%-Line 4)	60%
(6) Payment for percentage of acceptable services (Line 3 times Line 5)	$300

6.0. Quality Standards

6.1. Quality Standard rates include downtime required for scheduled or preventive maintenance. Such maintenance shall be performed during non-flying hours on systems required for flying operations.

6.2. There are two classes of systems in use at Poinsett Range:

CLASS I: Direct support systems such as communications.
CLASS II: Indirect support systems such as test equipment.

6.3. Air-to-ground radios, acoustiscore, weather equipment, altimeter, and hand-held radios are maintained by the government. Uptime rates will be IAW USAF standards.

TECHNICAL EXHIBIT 1
PERFORMANCE REQUIREMENTS SUMMARY (PRS)
SAYLOR CREEK/JUNIPER BUTTE B&G RANGES

1. PERFORMANCE REQUIREMENTS SUMMARY. The PRS charts (AF Forms 713) at the end of this exhibit do the following:

1.1. List the PWS requirements that the government will inspect. The absence of any contract requirement from the PRS shall not detract from its enforceability nor limit the rights or remedies of the government under any other provision of the contract, including the clauses entitled "Inspection of Services" and "Default."

1.2. Define the standard of performance for each listed service.

1.3. Set forth the maximum allowable deviation from standard performance for that service that may occur before the government will invoke the payment computation formula, resulting in a payment of less than 100 percent of the maximum payment for the listed service.

1.4. Define the lot used as the basis for surveillance or for payment computation purposes.

1.5. Set forth the surveillance methods the government will use to evaluate the contractor's performance for the listed tasks.

1.6. Set forth the percentage of the total contract price that the listed contract requirement represents only if the surveillance method is either 100-percent inspection or random sampling.

2. GOVERNMENT QUALITY ASSURANCE
Contractor performance will be inspected to determine if it meets the contract standards. A variety of surveillance methods may be used.

2.1. Random sampling of recurring service outputs using indifference quality level (IQL) indexed sampling plans.

2.2. One hundred percent inspection of output.

2.3. Periodic inspection of the processes or output.

2.4. Customer complaints.

3. PERFORMANCE.EVALUATION. Performance of a service will be evaluated to determine whether or not it meets the performance requirements of the contract. When the performance requirement is exceeded, the contracting officer will issue a Contract Discrepancy Report (CDR) to the contractor. Upon evaluation of the contractor's response to a CDR for tasks inspected by random sampling or 100 percent inspection the contractor's payment for the month in which the performance in question occurred will be calculated as stated in paragraph 4.The contractor shall respond to the CDR by completing block 9 and block 10 of the form and returning it to the contracting officer within 15

calendar days of receipt. In the case of CDRs issued as the result of other methods of surveillance, the contracting officer shall take appropriate measures according to the clause entitled "Inspection of Services."

4. CONTRACTOR PAYMENT

4.1. For performance of a service that does not exceed the performance requirement, the contractor shall be paid the percentage of the monthly contract line item price indicated in the PRS for that service.

4.2. If performance of a service exceeds the performance requirement for a service inspected by random sampling or 100-percent inspection, the government will calculate payment as follows:

4.2.1. The maximum contract payment per month for all services is multiplied by the maximum payment percentage for the specific service to determine the maximum payment for acceptable service. This payment is multiplied by the percentage of the sample found acceptable to determine the percentage of the contract price that the contractor will be paid for the specific service. The total number of defectives found, not just those in excess of the reject level, are used to determine the percentage of the sample found unacceptable The percentage of the sample found unacceptable subtracted from 100 percent determines the percentage found acceptable.

4.2.2. For those services that are performed less frequently than monthly, the payment computation will be determined for the entire surveillance period and will be based on the total maximum payment available for the entire surveillance period.

4.2.3. Any deductions from payment shall be taken from the payment for the month in which the contracting officer makes the determination that deduction is appropriate, regardless of the period in which the performance occurred.

5. EXAMPLE OF PAYMENT COMPUTATIONS: For this example, assume the following: (1) a performance requirement of 3, (2) a corresponding sample size of 25, (3) a lot size of 500, and (3) that 10 defective samples were found.

(1) Maximum contract line item payment per month	$10,000
(2) Maximum payment percentage for the service	X 5%
(3) Maximum payment for acceptable service	$ 500
(4) Percentage of sample found unacceptable (10)/25, defectives divided by sample size, X 100)	40%
(5) Percentage of sample found acceptable (100% - Line 4)	60%
(6) Payment for percentage of acceptable services (Line 3 times Line 5)	$ 300

6.0. Quality Standards

6.1. The quality standard rates include downtime required for scheduled or preventive maintenance. Such maintenance shall be performed during non-flying hours on systems required for flying operations.

6.2. There are two classes of systems in use at Saylor Creek Air Force Range.

6.2.1. CLASS I: Direct support systems such as communications.

6.2.2. CLASS II: Indirect support systems such as test equipment.

6.3. CLASS I

6.3.1. Radio 8004201G4 set transceiver. Three each to include associated cables, C79999, control heads and AT-197 antennas. Minimum acceptable operational readiness rate 97.7% each month directly associated with the required monthly operational support hours.

6.3.2. AN/GMQ-20wind measuring set. One each consists of one sensor and one readout. Minimum acceptable operational readiness rate 99.5% each month based on the required readouts per day each month.

6.3.3. DA-3H acoustiscore (digital system): Minimum acceptable operational readiness rate 95.0% each month based on each days use rate per month.

6.3.4. Television Ordnance Scoring System (TOSS): 95.0% operational ready rates over a 12-month period. Systems consists of the following components:

6.3.4.1. Five solar powered video cameras and one commercial powered video camera on motorized mounts, and remote controlled.

6.3.4.2. Microwave link transmitters and receivers.

6.3.4.3. Scoring Control site consisting of video subsystem, computation subsystems, and command control subsystems and test equipment (internal built-in and external).

6.3.5. ML 658, DBASI minimum acceptable operational readiness rate 95% each month based on each day's readings per month.

6.3.6. An array of seven vehicles containing an infrared targeting system 100% operational readiness rate over a 12-month period based on the daily support required per month.

6.3.7. A convoy of five vehicles, and M60 tank target and a simulated tunnel target each containing an infrared targeting system. Systems shall be at 95% operational ready rate during operational hours.

6.4. CLASS II

6.4.1. DAT-I test set used to test the DA3H scoring system transducer effectiveness: Minimum acceptable operational readiness rate 100% each month.

6.4.1.2. Target lighting, propane lanterns to provide night target identification as requested: Minimum acceptable operational readiness rate 100% monthly.

6.5. These technical specifications define the quality of maintenance and repair work to be accomplished under this contract. Where a specification is not directed, the contractor shall perform maintenance and repair work to meet customs and practices of the trade and equipment manufacturer's maintenance recommendation.

6.5.1. Scope: All equipment, targets, and grounds are to be maintained and repaired by the contractor to maintain the range at serviceable standard: New components shall match or exceed existing components in manufacture, quality, and appearance.

6.5.2. Workmanship: All work under this contract must conform to the standards of these specifications. The contractor at no expense to the government shall correct Work not meeting these specifications. Any non-contractor-owned property damaged by the contractor shall be repaired or replaced immediately by the contractor at no expense to the owner.

6.5.3. Fencing: Damaged or deteriorated fencing shall be replaced with new material matching the original.

6.5.4. Perimeter Firebreaks: Perimeter firebreaks shall be 120 feet wide beginning at the inside edge of the perimeter fence and extending 120 feet into the range. They shall be cleared of all vegetation and residue to mineral soil and disked to a minimum depth of six inches. They must be initially cleared by 30 May each year and maintained throughout the fire threat season.

6.5.5. Interior Firebreaks: All interior firebreaks shall be cleared of vegetation to mineral soil upon completion of perimeter firebreaks. Additional interior firebreaks can be constructed as determined by the QAEs through the contracting officer. Interior firebreaks shall be kept to a minimum width of 40 feet.

6.5.6. Roadside Firebreaks: Road side/shoulder shall be kept free of all vegetation and smooth for travel. Only surface material shall be removed to prevent damage or breakage of underground communication wiring.

6.5.7. Roads: All roads (dirt and gravel) will be maintained in a smooth serviceable condition at all times except in extreme wet weather. Contractor will fill and grade as required.

6.5.8. Nuclear Target Circles: Shall be maintained to the specifications IAW AFI 13-212,Vol 11, paragraph 3.3.4.1.

6.5.9. Strafe Target: Shall be maintained IAW AFI 13-212, Vol 11, paragraph 3.3.1.

6.5.10. Earth/Earth Filled Targets: Maintain all earth/earth filled targets, bunkers, revetments, runways, etc., in their initial configuration. They shall be free of erosion, residue, and vegetation. Roads and firebreaks shall be maintained too and from all target areas.

6.5.11. Facilities: Shall be maintained and repaired as needed through self-help, work orders, or job orders submitted to the Civil Engineering Squadron. Housekeeping shall be a high interest item. Any additions or deletions of facilities shall be coordinated through the QAE and contracting office.

6.5.12. Vehicular/Aircraft Targets: Maintain all salvaged equipment targets until completely destroyed or disfigured. Replace unusable items with serviceable like items from range. Other replacement items shall be obtained through DRMO, and unusable items will be returned to DRMO as scrap material or buried as target debris. All recyclable equipment, parts, tires, etc., removed from each salvaged vehicle will be listed and returned to either supply or DRMO. This may reduce theft on range during periods of non-operation. No maintenance is required on vehicular targets, except for picking up munitions or damaged target residue during monthly decontamination.

6.5.13. Commercially powered Infrared target systems shall be maintained fully operational to provide realistic targeting data for aircraft munitions delivery, IAW FUJI Electric Instruction Manual as provided. Other non-commercial powered infrared systems will be maintained and operated as determined by the QAEs through the contracting officer.